



Talking to the Seller

Supply and Demand

Slow (Buyer's) Market

2. Illustration

1. Slow (buyer's) market is when you have more than a 6-month supply of homes. You can determine the number of months' supply by looking at the data spread sheet below the graphs. I have circled just a few of the months with more than 6 months inventory.
2. You can also demonstrate inventory and sales history trends by drawing a big arrow across the graph when you show the chart to your customer.
3. There are seasonal trends, which are different in each market. In this example the inventory decreases in the winter months, peaks during the summer then repeats itself as we head back into summer. You will want to ignore sharp spikes or dips in any 1-month and focus on the overall trend.
4. Even though recent strong sales are strong compared to last year, there is still more than 6-month inventory.
5. During a buyers market this graph is important for you - the agent. You may use this chart to mentally prepare your sellers for the weak market, giving them a sense of reality and expectation. The longer this trend continues, the more your client's property equity will erode.
6. Now, let me share with you how you can speak to your seller.

TALKING TO YOUR CLIENT SAMPLE DIALOG

7. Mr. & Mrs. Seller, first I want to tell you that this is factual Multiple Listing Data for your area and your price range.
8. One of my **roles is to educate you** to current and past market conditions and help you determine how to compete for the few buyers willing to buy in this market. Together, with this information we can create more realistic selling strategy.
9. Mr. And Mrs. Seller you can see by this Facts and Trends graph that our inventory is very high compared to the number of homes selling.
10. We have more homes for sale than we had during the same period last year.
(You can circle the last three months and the same three months one year ago to make your point.)
11. There are less homes sold and pended sales than the same period last year. The outcome is a very weak market. Buyers are very aware of this.
12. I am showing you this in addition to some comparables in your price range and area to prepare you for a more realistic pricing strategy.



Talking to the Seller

13. We need to be very realistic in setting our listing price if we intend to be successful in selling your home.
14. I want to also point out that the sooner we sell your home the sooner we capture the greatest property equity. The longer it takes, the more your property equity will erode.
15. I will e-mail or deliver this report to you every month so we can plan our marketing strategy accordingly.